

**ST NICHOLAS OF TOLENTINE CATHOLIC PRIMARY
SCHOOL**

(A COMPANY LIMITED BY GUARANTEE)

Annual Report and Financial Statements

For the Year Ended 31st August 2019



Company Registration Number:

08278118

United Kingdom

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Reference and Administrative details

The following Trustees held office for the whole period unless otherwise indicated

Members of the Academy

Bishop D Lang	
CCDEF	
Rev RF McKay	Resigned 7.6.19
Francis Toner	Appointed 8.6.19

Trustees

Rev R McKay	Chair of Trustees	Resigned 7.6.19
Mrs C Collett	Foundation Trustee	Appointed 8.6.19
Marian Curran	Foundation Trustee	Appointed 8.6.19
Helen Peace	Foundation Trustee	Appointed 8.6.19
Francis Toner	Chair of Trustees	Appointed 8.6.19
Mrs C Dolan	Foundation Trustee	Resigned 7.6.19
Mrs E Newby	Foundation Trustee	Resigned 31.5.19
Mr G Calderbank	Foundation Trustee	Resigned 7.6.19
Miss L Collins (Staff Trustee)	Elected Trustee	
Mrs R Morgan	Foundation Trustee	Resigned 7.6.19
Miss S Lankester (Staff Trustee)	Elected Trustee	Resigned 7.6.19
Mrs M Todman	Foundation Trustee	Resigned 7.6.19
Mr C Clayton	Parent Trustee	Resigned 7.6.19

Company Secretary

Mrs H Peace	Resigned 8.6.19
Mrs S Chapman	Appointed 8.6.19

Senior Management Team

Miss H Dunford	Headteacher from 1.9.19
R Tucker	Headteacher to 1.9.17 to 30.4.19
K Kinshaw	Headteacher from 3.4.19 to 31.7.19
T Stack	to 31.12.18
A Parry	to 31.8.19
Mrs N Barker	Deputy Head from 1.9.19
Mr S Feltham	Teacher Lead from 1.9.19
Mrs G Speed	Business Manager
Miss L Collins	Senior Team

Principal and Registered Office

St Nicholas of Tolentine Catholic Primary School
Pennywell Road
Bristol
BS5 0TJ

Company Registration Number 08278118

Company Name St Nicholas of Tolentine Catholic Primary School

Independent Auditors MHA Monahans, Statutory Auditors
38-42 Newport Street
Swindon, SN1 3DR

Bankers Lloyds Bank plc, Downend, Bristol

Trustee's Report

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31st August 2019. The Annual report serves the purpose of both a Trustees' report and a Directors' report under company law.

The Trust operates an Academy for pupils aged 4 to 11 in the City of Bristol. It has a pupil capacity of 210 and had a roll of 185 in the school census in October 2018.

Structure, Governance and Management Constitution

The Academy is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary Governing documents of the Academy.

The Trustees of St Nicholas of Tolentine Catholic Primary School are also the directors of the Charitable Company for the purposes of company law.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on page 3.

Members' Liability

Each member of the Charitable Company undertakes to contribute to the assets of the Company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

Trustees' Indemnities

Trustees benefit from Indemnity insurance purchased at the Academy's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of duty of which they may be guilty in relation to the Academy, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy. The limit of this indemnity is £2,000,000.

Method of Recruitment and Appointment or Election of Trustees

The Academy's Board of Trustees comprises the Headteacher, a minimum of 2 Parent Trustees, up to 2 Staff Trustees (providing that the total number of Trustees, including the Headteacher, who are employees of the Academy, does not exceed one third of the total number of Trustees) and up to 10 other Trustees.

The Academy shall have the following Trustees as set out in its Articles of Association and funding agreement:

- UP to 9 Trustees who are appointed by the Bishop;

- Up to 2 Parent Trustees who are elected by Parents of registered pupils at the Academy;
- Up to 2 Staff Trustees who are elected by contracted members of staff;
- Up to 1 Community Trustee who are appointed by the Trustee board;
- The Headteacher who is treated for all purposes as being an ex-officio Trustee

Trustees are appointed for a four year period, except that this time limit does not apply to the Headteacher. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development.

Policies and Procedures Adopted for the Induction and Training of Trustees

The Academy has a Trustee Recruitment, Induction and Training policy available from the Clerk to the Trustees.

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff and pupils. All Trustees are provided with access to copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies.

Organisational Structure

The Board of Trustees normally meets once each term. The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There is one additional committee, as follows:

- Independent Management Committee – this meets monthly and is a dedicated committee established post the Special Measures judgement in October 2018. It is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the Responsible Officer/Internal Audit and drafting the Annual Budget including setting staffing levels. It also incorporates the role of an audit committee. In addition, it is responsible for standards and quality to monitor, evaluate and review Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral issues

The following decisions are reserved to the Board of Members; to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Headteacher and Clerk to the Trustees, to approve the Annual Development Plan and budget.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy, Capital Expenditure and Staff Appointments.

The Academy has a leadership structure which consists of the Trustees, the SLT and Team Leaders. The Aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Board of Trustees have devolved responsibility for day to day management of the Academy to the Senior Leadership Team (SLT). The SLT consists of the Headteacher, Deputy Headteacher, Business Manager and Teaching Leads. The SLT controls the Academy at an executive level, implementing the policies laid down by the trustees and reporting back to them. The Headteacher, School Business Manager and Independent Management Committee are responsible for the authorisation of spending within agreed budgets; a summary of this is in the Scheme of Delegation. Some spending control is devolved to Budget Holders which must be authorised in line with the Scheme of Delegation. The Headteacher is responsible for ensuring appropriate selection and appointment of new staff.

The Headteacher is the Accounting Officer.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Trustees consider that the Board of Trustees together with the Senior Leadership Team comprise the key management personnel of the Academy, which is in charge of directing, controlling running and operating the Academy on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year for those services.

The pay of the other key management procedures is reviewed annually and following a performance management process is normally agreed in line with national pay and conditions guidance and recommendations.

The Academy adopts all national pay and conditions recommendations for teachers and any Local Authority pay and conditions recommendations for support staff.

Related Parties and other Connected Charities and Organisations

There are no related parties which either control or significantly influence the decisions and operations of St Nicholas of Tolentine Catholic Primary School, except for the Bishop of Clifton who is the ultimate controlling party by virtue of holding the ability to appoint the majority of the board of Trustees.

There are no sponsors of Formal Parent Teacher Association associated with the Academy.

The Academy has established a Parent Teacher Association known as Parent Link and has a business partner which is associated with the Academy, Contract Construction Consultants.

Objectives and Activities

Object and Aims

The principle object and activity of the Academy is to advance for the public benefit education in Easton and the surrounding area, in particular by establishing, maintaining, carrying on, managing and developing a school, offering a broad range of curriculum for pupils of different abilities, with a strong emphasis on providing an education based on the Gospel teachings and Catholic faith.

The principal object and activity of the Charitable Company is the operation of St Nicholas of Tolentine Catholic Primary School to provide free education and care for pupils of different abilities between the ages of 4 and 11.

The aims of the Academy during the year ended 31st August 2019 are summarised below:

- To establish and follow an Ofsted Action Plan, to lead the school from Special Measures to Good, within Ofsted maximum guideline of 18/24 months.
- To continue to raise the standard of educational attainment and achievement of all pupils;
- To provide a broad and balanced curriculum, including extra-curricular activities;
- To develop and enable students to become effective learners;
- To develop the Academy site so that it enables students to achieve their full potential;
- To ensure that every child is provided with and enjoys the same high quality education in terms of resourcing, tuition and care;
- To improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- To maximise the number of students who achieve expected outcomes at the end of each phase;
- To provide value for money for the funds expended;
- To develop greater coherence, clarity and effectiveness in school systems;
- To comply with all appropriate statutory and curriculum requirements;
- To develop the Academy's capacity to manage change;
- To conduct the Academy's business in accordance with the highest standards of integrity, probity and openness
- To enable pupils to develop and engage in a faith based curriculum based on the tenants of the Catholic church.

At St Nicholas of Tolentine Catholic Primary School, we aim to get the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. Our Academy is a community in which children, staff and parents should be part of a happy and caring environment.

Objectives, Strategies and Activities

Key priorities for the year are contained in our Academy Development Plan which is available from the Academy office.

Improvement focuses identified for this year include:

- Embed sustained and effective leadership across the school
- Improved outcomes and progress in all core subjects including Religious Education

- Improve levels of attendance and strengthen the overall profile of the school
- Establish clear and effective processes for assessment that supports improvements in pupil outcomes and progress

Ambitious targets have been set for the end of EYFS, KS1 and KS2 Sat assessments.

Key activities and targets were identified in the Academy Development Plan and were influenced by the significant challenges and opportunities arising from national changes in education policy and funding.

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17 (5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

The Academy aims to advance for the public education in Easton and the surrounding area. In particular, but without prejudice to the generality of the foregoing by establishing, maintaining, managing and developing schools, offering a broad curriculum with a strong emphasis on, but in no way limited to the faith foundations of the Academy.

The Academy provides facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of the said community.

As an Academy we have a duty to support other schools. Our named school in the Academy status is St Teresa's. We support this school through sharing specialist skills, collaboration and shared school improvement activities, e.g. joint training.

Strategic Report Achievements and Performance

KS2 SATs results in 2018 are as follows:

READING	11 out of 28 children achieving expected standard 75%	Percentage 39.3%	Bristol Average 72%	National Average
WRITING	18 out of 28 children achieving expected standard	64.3%	77%	78%
MATHEMATICS	7 out of 28 children achieving expected standard	26.6%	74%	76%
READING, WRITING, MATHEMATICS COMBINED	5 out of 28 children achieving expected standard	17.9%	62%	64%

Going Concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the going Concern policy.

Financial Review

Most of the Academy's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31st August 2019 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

Total income for the year was £1,231,391 (2018: £1,193,567). Total expenditure for the year was £1,472,715 (2018 £1,243,862).

The Academy made an in year deficit of £130,027 (The in-year deficit is the change in balance of restricted general funds (excluding pension reserve) plus unrestricted funds). At 31st August 2019, the actual position of reserves was £81,945 (being the total balance at 31st August 2019 on restricted general funds [excluding pension reserve] plus the balance on the unrestricted funds).

The Academy also receives grants for fixed assets from the DfE and are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the usual life of the assets concerned, as defined in the Academy's accounting policies.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion. The deficit is incorporated within the Balance Sheet with details in the Trustees' Report. The deficit increased from £496,000 to £828,000 this year.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Headteacher, Managers, Budget Holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included Charges and Lettings, Asset Management and Insurance.

The Trustees have adopted an Internal Assurance Policy.

Reserves Policy

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with the commitments and the nature of the reserves. The Trustees take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have determined that the appropriate level of reserves carried should be approximately £100,000. This related to approximately one month's experience. The reason for this reserve is to provide sufficient working capital to cover delays between appending

and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. As at 31st August 2019, the Academy had free reserves (total funds less the amount held in fixed assets and restricted funds) of £78,832 (2018: £68,683). The Academy also held an amount of £3,113 on restricted general funds. The reserves held are below the required level and this is due primarily to the added, unanticipated expenditure in the year. There was significant extra to engage the Cabot Learning Federation, as the teaching school, in Bristol, following the Special Measures judgement.

Since the year end the academy was successful in a School Improvement Bid and will receive support from Cabot Learning Federation. The goal is to generate a small financial surplus until the Ofsted judgement is improved, then improve student numbers enabling reserves to return to a more stable position.

The total balance at 31st August 2019 on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds was £81,945.

In total at 31st August 2019, the funds of the Academy were negative £460,600, which is represented by negative £539,432 of restricted funds and £78,832 unrestricted funds, £265,171 of the restricted funds can only be realised by disposing of tangible fixed assets.

The Trustees acknowledge the pension reserve deficit of £828,000 (2018: £496,000).

Investment Policy

Due to the nature of funding, the Academy may at times hold cash balances surplus to its short term requirements. The Trustees have authorised the opening of additional short term bank investment accounts to take advantage of higher interest rates. No other form of investment is authorised.

Principal Risks and Uncertainties

The Board of Trustees has reviewed the major risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

The principal risks and uncertainties facing the Academy are as follows:

Financial

The Academy has considerable reliance on continued Government funding through the ESFA. In the last year 95% of the Academy's incoming resources was ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Failures in Governance and/or Management

The risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational

The continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest education standards. To mitigate this risk, Trustees ensure that student success and achievement are closely monitored and reviewed.

Safeguarding and child protection

The Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

Staffing

The success of the Academy is reliant on the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis.

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The Trustees examine the financial health formally every term, reviewing performance against budgets and overall expenditure by means of regular update reports at all full Trustees' and Financial Committee Meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 19 to the financial statements, represents a significant potential liability. However, as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimised.

Fundraising

The academy trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees. The school occasionally applies for grants, but achieves this through its own efforts without any collaboration with commercial or professional fundraisers.

Plans for future periods

The school continues to strive to provide a broad Catholic education and improve the levels of attainment and achievement of students at all levels. They are working with Ofsted, over the next 12 months with their monitoring visits, as well as having engaged the Cabot Learning Federation, to improve the Ofsted grading.

We plan to be graded good before December 2020.

We are committed to recruiting the best quality candidates to assist us in this goal.

Funds held as custodian Trustee on behalf of others

The Academy and its Trustees do not act as the Custodian Trustees of any other Charity.

Auditors

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

The auditors, MHA Monahan's, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

The Trustees' Report, incorporating a Strategic Report, was approved by order of the Board of Trustees, as company directors, on 21.11.2019 and signed on the board's behalf by:



Francis Toner
Chair of Trustees



H Dunford
Headteacher

Governance Statement

Scope of Responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that St Nicholas of Tolentine Catholic Primary School has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls confirm with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between St Nicholas of Tolentine Catholic Primary School and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 5 times during the year. In addition, due to the restructure, the trustees also held 11 Extra-Ordinary Trustee Meetings.

Attendance during the year at ordinary meetings of the Board of Trustees was as follows:

Trustee	Meetings Attended	Out of a Possible
Gerald Calderbank (Resigned 7.6.19)	6	7
Rev Richard McKay (Resigned 7.6.19)	7	7
Christopher Clayton (Resigned 7.6.19)	2	7
Eileen Newby (Resigned 7.6.19)	7	7
Rhonda Morgan (Resigned 7.6.19)	7	7
Celia Dolan (Resigned 7.6.19)	5	7
Sarah Lankaster (Resigned 7.6.19)	3	7
Louise Collins	5	7
Maureen Todman (Resigned 7.6.19)	6	7
Colleen Collett (Appointed 8.6.19)	0	0
Marian Curran (Appointed 8.6.19)	0	0
Helen Peace (Appointed 8.6.19)	0	0
Francis Toner (Appointed 8.6.19)	0	0

The Board of trustees meets in line with its agreed Terms of Reference. The make-up of the Board of Trustees is in line with the Articles of Association and there have been a few changes to the make-up of the Board of Trustees during this period including the resignation of our Headteacher and a change in our Chair.

Review of value for money

As Accounting Officer, the Headteacher has responsibility for ensuring that the Academy delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Academy's use of its resources has provided good value for money during each academic year, and reports to the Board of trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Academy has delivered improved value for money during the year by:

- Trustee oversight of significant budgets, including a Pupil Premium Security Group, which is responsible for monitoring and evaluating the impact of Pupil Premium funding
- Scrutiny of budgets by Senior Leaders, the Inclusion Manager and relevant teachers

Comprehensive systems and procedures have been established to ensure there is appropriate and robust financial management including but not exclusively:

- Independent auditing and monitoring of budget;
- Separation of duties in relation to budget control;
- Strong financial governance through regular meetings of finance committee, training and development for the finance committee;
- Training and support for the Company Secretary and Accounting Officer; and
- Bidding for additional funding where appropriate

The Academy seeks out best value in relation to purchasing through benchmarking of the costs of goods and services, tendering for contracts, negotiating preferential costs where possible, e.g. Rapid payment reduction, economies of scale.

The purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The System of internal control has been in place in St Nicholas of Tolentine Catholic Primary School for the Year Ended 31st August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks, that has been in place for the year 1st September 2016 to 31st August 2019 and up to date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The Risk and Control Framework

The Academy's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- Regular reviews by the Resources committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- Setting targets to measure financial and other performance;
- Clearly defined purchasing (asset purchase or capital investment) guidelines
- Delegation of authority and segregation of duties;
- Identification and management of risks

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint an internal auditor.

The internal auditors' role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. In particular, the checks carried out in the current period included:

- Payroll systems
- Income systems
- Expenditure systems
- Fixed Asset systems
- Accounting systems

On a quarterly basis, the internal auditor's report to the Board of trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

This work has been carried out according to the planned schedule and no material control issues have arisen.

Review of Effectiveness

As Accounting Officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control.

During the year in question the review has been informed by:


- The work of the internal auditor;
- The work of the external auditors;
- The work of the Executive Managers within the Academy who have responsibility for the development and maintenance of the internal control framework

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Resources committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 21.11.2019 And signed on their behalf by:



Francis Toner
Chair of Trustees



H Dunford
Headteacher

Statement on Regularity, Propriety and Compliance

As Accounting Officer of St Nicholas of Tolentine Catholic Primary School I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's Funding Agreement and the Academies Financial Handbook 2018.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the Board of Trustees and ESFA.

A handwritten signature in black ink, appearing to read 'H Dunford', with a stylized flourish extending from the end.

H Dunford
Accounting Officer

Statement of Trustees' Responsibilities

The Trustees (who act as Trustees of St Nicholas of Tolentine Catholic Primary School and are also the Directors of the Charitable Company for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with the Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standard (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law require the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and of the incoming resources and application of resources, including the income and expenditure, of the Charitable Company for that period. In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for ensuring that in its conduct and operation the Charitable Company applies financial and other controls, which confirm with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA/DfE have been applied for the purposes intended.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Trustees and signed on its behalf by:



Francis Toner
Chair of Trustees

Report of the Independent Auditors to the Members of
St Nicholas Of Tolentine Catholic
Primary School

Opinion

We have audited the financial statements of St Nicholas Of Tolentine Catholic Primary School (the 'charitable company') for the year ended 31 August 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2018 to 2019 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2018 to 2019.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report (being the Reference and Administration details, Trustees Report, incorporating the Strategic Report and the Directors Report, the Governance Statement, the Statement on Regularity, Propriety and Compliance and the Trustees Responsibilities Statement) but does not include the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Report of the Independent Auditors to the Members of
St Nicholas Of Tolentine Catholic
Primary School

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.


Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.


Steven Fraser (Senior Statutory Auditor)
for and on behalf of MHA Monahans
Statutory Auditors
38-42 Newport Street
Swindon
Wiltshire
SN1 3DR

Date: 17th December 2019

Independent Reporting Accountant's Assurance Report on Regularity to
St Nicholas Of Tolentine Catholic
Primary School and the Education and Skills Funding Agency

In accordance with the terms of our engagement and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Nicholas Of Tolentine Catholic Primary School during the period 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to St Nicholas Of Tolentine Catholic Primary School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to St Nicholas Of Tolentine Catholic Primary School and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than St Nicholas Of Tolentine Catholic Primary School and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of St Nicholas Of Tolentine Catholic Primary School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of St Nicholas Of Tolentine Catholic Primary School's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the charitable company's income and expenditure.

In planning and conducting our work we had due regard to professional guidance, including the Academies Accounts Direction 2018. The work undertaken to draw to our conclusion, includes, but is not limited to:

- Enquiry of senior management and the Academy's Trustees.
- Inspection and review of the accounting records, meeting minutes, prior year regularity report, internal control procedures, management representations and declarations of interest.
- Observation and re-performance of the financial controls.
- Review of the results of the Academy's process of independent checking of financial controls, systems, transactions and risks.
- Consideration of governance issues

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



MHA Monahans
Chartered Accountants
38-42 Newport Street
Swindon
Wiltshire
SN1 3DR

Date: 19th December 2019

**St Nicholas Of Tolentine Catholic
Primary School**

**Statement of Financial Activities
for the Year Ended 31 August 2019**

				2019	2018	
		Unrestricted fund	Restricted funds	Restricted fixed asset funds	Total funds	Total funds
	Notes	£	£	£	£	£
INCOME AND ENDOWMENTS FROM						
Donations and capital grants	2	26,015	-	15,485	41,500	66,754
Charitable activities						
Funding for the academy's educational operations	3	12,112	1,168,652	-	1,180,764	1,114,134
Other trading activities	4	9,019	-	-	9,019	12,497
Investment income	5	108	-	-	108	182
Total		47,254	1,168,652	15,485	1,231,391	1,193,567
EXPENDITURE ON						
Charitable activities						
Academy's educational operations		37,105	1,376,398	59,212	1,472,715	1,243,862
NET INCOME/(EXPENDITURE)		10,149	(207,746)	(43,727)	(241,324)	(50,295)
Transfers between funds	17	-	(1,430)	1,430	-	-
Other recognised gains/(losses)						
Actuarial gains/losses on defined benefit schemes		-	(263,000)	-	(263,000)	118,000
Net movement in funds		10,149	(472,176)	(42,297)	(504,324)	67,705
RECONCILIATION OF FUNDS						
Total funds brought forward		68,683	(352,711)	327,752	43,724	(23,981)
TOTAL FUNDS CARRIED FORWARD		78,832	(824,887)	285,455	(460,600)	43,724

The notes form part of these financial statements

St Nicholas Of Tolentine Catholic
Primary School
REGISTERED COMPANY NUMBER: 08278118 (England and Wales)
Balance Sheet
At 31 August 2019

	Notes	2019 £	2018 £
FIXED ASSETS			
Tangible assets	12	265,171	313,534
CURRENT ASSETS			
Debtors	13	111,490	94,694
Cash at bank and in hand		<u>111,203</u>	<u>237,878</u>
		222,693	332,572
CREDITORS			
Amounts falling due within one year	14	(120,464)	(106,382)
NET CURRENT ASSETS		<u>102,229</u>	<u>226,190</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		367,400	539,724
PENSION LIABILITY	18	(828,000)	(496,000)
NET ASSETS/(LIABILITIES)		<u>(460,600)</u>	<u>43,724</u>
FUNDS	17		
Restricted funds			
Fixed asset funds		285,455	327,752
Restricted general funds		3,113	143,289
Pension reserve		<u>(828,000)</u>	<u>(496,000)</u>
Total restricted funds		(539,432)	(24,959)
Unrestricted funds		<u>78,832</u>	<u>68,683</u>
TOTAL FUNDS		<u>(460,600)</u>	<u>43,724</u>

The financial statements were approved by the Board of Trustees on and were signed on its behalf by:



Francis Toner- Trustee

The notes form part of these financial statements

**St Nicholas Of Tolentine Catholic
Primary School**

**Cash Flow Statement
for the Year Ended 31 August 2019**

	Notes	2019 £	2018 £
Cash flows from operating activities:			
Cash generated from operations	20	<u>(140,838)</u>	<u>86,747</u>
Net cash provided by (used in) operating activities		<u>(140,838)</u>	<u>86,747</u>
 Cash flows from investing activities:			
Purchase of tangible fixed assets		(1,430)	(48,972)
Capital grants from DfE/ESFA		15,485	6,205
Interest received		<u>108</u>	<u>182</u>
Net cash provided by (used in) investing activities		<u>14,163</u>	<u>(42,585)</u>
 Change in cash and cash equivalents in the reporting period		<u>(126,675)</u>	<u>44,162</u>
Cash and cash equivalents at the beginning of the reporting period		<u>237,878</u>	<u>193,716</u>
 Cash and cash equivalents at the end of the reporting period		<u><u>111,203</u></u>	<u><u>237,878</u></u>

The notes form part of these financial statements

**St Nicholas Of Tolentine Catholic
Primary School**

**Notes to the Financial Statements
for the Year Ended 31 August 2019**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2018 to 2019 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

St Nicholas Of Tolentine Catholic Primary School meets the definition of a public benefit entity under FRS 102.

The financial statements are prepared in sterling which is the functional currency of the academy and rounded to the nearest pound.

General information

St Nicholas of Tolentine Primary School is a company limited by guarantee, without share capital, incorporated in England and Wales. The registered office address can be found in the Trustees' Report.

Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Grants

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

Donations

Donations are recognised on a receivable basis (where there are no performance related conditions), where it is probable that the income will be received and the amount can be measured reliably.

Other income

Other income including the hire of facilities, is recognised in the period it is receivable and to the extent the charity has provided the goods or services.

St Nicholas Of Tolentine Catholic
Primary School

Notes to the Financial Statements - continued
for the Year Ended 31 August 2019

1. ACCOUNTING POLICIES - continued

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Where material, donated goods and services are recognised as income when the academy has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the academy of the item is probable and that economic benefit can be measured reliably. On receipt, where material, donated goods and services are recognised on the basis of the value of the gift to the academy which is the amount the academy would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Charitable activities

Costs of charitable activities are incurred on the charity's educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

Leased assets

Rentals under operating leases are charged on a straight line basis over the lease term.

St Nicholas Of Tolentine Catholic
Primary School

Notes to the Financial Statements - continued
for the Year Ended 31 August 2019

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Assets costing £750 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than leasehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line/reducing balance basis over its expected useful life, as follows:

Long term leasehold property	-	20 or 50 years straight line
Site improvements	-	20 years straight line
Furniture and equipment	-	5 years straight line
Computer equipment	-	3 years straight line

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

On conversion the academy was granted a 125 year lease from the local authority for land previously occupied by the local authority school. On conversion this long term leasehold property was recognised as a donation from the local authority and was valued using the depreciated replacement cost method.

Land and buildings occupied under a Church Supplemental Agreement are not recognised as assets in the balance sheet. These land and buildings are occupied free of charge under a rolling two year licence. Notional rent and a matching donation by the landowner are recognised in the accounts.

Where capital expenditure has been incurred by the academy then the academy trust recognises a site improvement asset funded by capital grants even when the site is not recognised as land and buildings in their academy trust's own accounts.

Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Financial Instruments

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank - is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

**St Nicholas Of Tolentine Catholic
Primary School**

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2019**

1. ACCOUNTING POLICIES - continued

Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

Pension costs and other post-retirement benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The academy trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

There are no critical areas of judgement.

**St Nicholas Of Tolentine Catholic
Primary School**

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2019**

2. DONATIONS AND CAPITAL GRANTS

	2019 £	2018 £
Donations	15	34,549
Grants	15,485	6,205
Notional donation from Diocese re property occupied	<u>26,000</u>	<u>26,000</u>
	<u>41,500</u>	<u>66,754</u>

Grants received, included in the above, are as follows:

	2019 £	2018 £
Devolved formula capital	<u>15,485</u>	<u>6,205</u>

3. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	2019 Total funds £	2018 Total funds £
Grants	-	1,157,575	1,157,575	1,098,535
Other academy funding	-	11,077	11,077	-
Internal catering income	10,198	-	10,198	11,635
Sales to students	<u>1,914</u>	<u>-</u>	<u>1,914</u>	<u>3,964</u>
	<u>12,112</u>	<u>1,168,652</u>	<u>1,180,764</u>	<u>1,114,134</u>

An analysis of grants received is given below:

	Unrestricted funds £	Restricted funds £	2019 Total funds £	2018 Total funds £
DfE/ESFA revenue grant				
General Annual Grant(GAG)	-	949,980	949,980	923,949
Other DfE/ESFA grants	<u>-</u>	<u>174,026</u>	<u>174,026</u>	<u>152,211</u>
	-	1,124,006	1,124,006	1,076,160
Other government grant				
Special Educational Needs	<u>-</u>	<u>33,569</u>	<u>33,569</u>	<u>22,375</u>
	<u>-</u>	<u>1,157,575</u>	<u>1,157,575</u>	<u>1,098,535</u>

4. OTHER TRADING ACTIVITIES

	2019 £	2018 £
Receipts from supply insurance	8,769	7,920
Fees received	-	133
Other income	<u>250</u>	<u>4,444</u>
	<u>9,019</u>	<u>12,497</u>

5. INVESTMENT INCOME

	2019 £	2018 £
Deposit account interest	<u>108</u>	<u>182</u>

**St Nicholas Of Tolentine Catholic
Primary School**

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2019**

6. EXPENDITURE

				2019	2018
	Staff costs	Non-pay expenditure Premises	Other costs	Total	Total
	£	£	£	£	£
Charitable activities Academies educational operations,					
Direct costs	806,830	-	206,102	1,012,932	842,609
Allocated support costs	<u>185,882</u>	<u>118,685</u>	<u>155,216</u>	<u>459,783</u>	<u>401,253</u>
	<u>992,712</u>	<u>118,685</u>	<u>361,318</u>	<u>1,472,715</u>	<u>1,243,862</u>

Net income/(expenditure) is stated after charging/(crediting):

	2019	2018
	£	£
Auditor's remuneration - audit	7,000	7,000
Auditor's remuneration - Under accrual in prior year	-	3,735
Auditor's remuneration - other non-audit services	1,050	1,600
Depreciation - owned assets	49,793	48,752
Other operating leases	<u>10,859</u>	<u>13,080</u>

7. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds	Restricted funds	2019 Total funds	2018 Total funds
	£	£	£	£
Direct costs	11,105	1,001,827	1,012,932	842,609
Support costs	<u>26,000</u>	<u>433,783</u>	<u>459,783</u>	<u>401,253</u>
	<u>37,105</u>	<u>1,435,610</u>	<u>1,472,715</u>	<u>1,243,862</u>

	2019 Total £	2018 Total £
Analysis of support costs		
Support staff costs	185,882	128,940
Depreciation	1,288	9,178
Technology costs	7,925	8,790
Premises costs	118,685	108,805
Other support costs	137,953	133,205
Governance costs	<u>8,050</u>	<u>12,335</u>
Total support costs	<u>459,783</u>	<u>401,253</u>

**St Nicholas Of Tolentine Catholic
Primary School**

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2019**

8. TRUSTEES' REMUNERATION AND BENEFITS

One or more trustees have been paid remuneration or have received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their role as trustees. The value of trustees' remuneration was as follows:

L Collins (staff trustee) - appointed 12 October 2017

Remuneration £35,000 - £40,000 (2018: £30,000 - £35,000)

Employer's pension contributions £5,000 - £10,000 (2018: £5,000 - £10,000)

The accounting officer and the head teacher until June 2019, R Tucker, had not been appointed as a trustee. The accounting officer and the head teacher from May 2019 to June 2019, K Kinshaw, had not been appointed as a trustee. Please see note 19 for further details.

Trustees' expenses

During the year ended 31 August 2019, travel and subsistence expenses totalling £nil2 (2018 - £nil) were reimbursed to trustees. Other related party transactions involving the trustees are set out in note 19.

**St Nicholas Of Tolentine Catholic
Primary School**

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2019**

9. STAFF COSTS

	2019 £	2018 £
Wages and salaries	618,517	524,953
Social security costs	52,964	42,565
Operating costs of defined benefit pension schemes	<u>155,465</u>	<u>123,631</u>
	826,946	691,149
Supply teacher costs	160,766	87,904
Compensation payments	<u>5,000</u>	<u>-</u>
	<u><u>992,712</u></u>	<u><u>779,053</u></u>

The average number of persons (including senior management team) employed by the charitable company during the year was as follows:

	2019	2018
Teachers	7	6
Administration and support	23	19
Management	<u>5</u>	<u>3</u>
	<u><u>35</u></u>	<u><u>28</u></u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2019	2018
£60,001 - £70,000	<u>1</u>	<u>1</u>

The full time equivalent number of persons employed by the Academy during the year was:

	2019 Number	2018 Number
Teachers	6	5
Administration and support	11	10
Management	<u>4</u>	<u>3</u>
	<u><u>21</u></u>	<u><u>18</u></u>

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £5,000 (2018: £nil) for one member of staff.

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 3. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £248,360 (2018: £221,345).

10. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the insurance.

St Nicholas Of Tolentine Catholic
Primary School

Notes to the Financial Statements - continued
for the Year Ended 31 August 2019

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Restricted fixed asset funds £	Total funds £
INCOME AND ENDOWMENTS				
FROM				
Donations and capital grants	26,167	2,500	38,087	66,754
Charitable activities				
Funding for the academy's educational operations	15,599	1,098,535	-	1,114,134
Other trading activities	12,497	-	-	12,497
Investment income	182	-	-	182
Total	54,445	1,101,035	38,087	1,193,567
EXPENDITURE ON				
Charitable activities				
Academy's educational operations	39,285	1,131,870	72,707	1,243,862
NET INCOME/(EXPENDITURE)	15,160	(30,835)	(34,620)	(50,295)
Transfers between funds	-	(25,757)	25,757	-
Other recognised gains/(losses)				
Actuarial gains/losses on defined benefit schemes	-	118,000	-	118,000
Net movement in funds	15,160	61,408	(8,863)	67,705
RECONCILIATION OF FUNDS				
Total funds brought forward				
As previously reported	53,523	(460,509)	336,615	(70,371)
Prior year adjustment	-	46,390	-	46,390
As Restated	53,523	(414,119)	336,615	(23,981)
TOTAL FUNDS CARRIED FORWARD	68,683	(352,711)	327,752	43,724

**St Nicholas Of Tolentine Catholic
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**Notes to the Financial Statements - continued
for the Year Ended 31 August 2019**

12. TANGIBLE FIXED ASSETS

	Long leasehold £	Site improvements £	Furniture and Equipment £	Computer equipment £	Totals £
COST					
At 1 September 2018	231,059	25,757	203,940	92,303	553,059
Additions	-	-	1,430	-	1,430
At 31 August 2019	<u>231,059</u>	<u>25,757</u>	<u>205,370</u>	<u>92,303</u>	<u>554,489</u>
DEPRECIATION					
At 1 September 2018	36,743	712	119,760	82,310	239,525
Charge for year	<u>7,755</u>	<u>1,288</u>	<u>36,828</u>	<u>3,922</u>	<u>49,793</u>
At 31 August 2019	<u>44,498</u>	<u>2,000</u>	<u>156,588</u>	<u>86,232</u>	<u>289,318</u>
NET BOOK VALUE					
At 31 August 2019	<u>186,561</u>	<u>23,757</u>	<u>48,782</u>	<u>6,071</u>	<u>265,171</u>
At 31 August 2018	<u>194,316</u>	<u>25,045</u>	<u>84,180</u>	<u>9,993</u>	<u>313,534</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade debtors	1,725	153
VAT	13,734	31,060
Prepayments and accrued income	<u>96,031</u>	<u>63,481</u>
	<u>111,490</u>	<u>94,694</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade creditors	21,024	57,492
Social security and other taxes	11,809	10,010
Other creditors	8	608
Accruals and deferred income	<u>87,623</u>	<u>38,272</u>
	<u>120,464</u>	<u>106,382</u>

Deferred income

	£
Deferred Income at 1 September 2018	16,050
Resources deferred in the year	10,303
Amounts released from previous years	<u>(16,050)</u>
Deferred Income at 31 August 2019	<u>10,303</u>

At the balance sheet date the academy trust was holding funds received in advance for the 19/20 school year.

**St Nicholas Of Tolentine Catholic
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**Notes to the Financial Statements - continued
for the Year Ended 31 August 2019**

15. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2019 £	2018 £
Within one year	10,859	10,949
Between one and five years	<u>32,578</u>	<u>43,437</u>
	<u>43,437</u>	<u>54,386</u>

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund £	Restricted funds £	Restricted fixed asset funds £	2019 Total funds £
Fixed assets	-	-	265,171	265,171
Current assets	130,832	71,577	20,284	222,693
Current liabilities	(52,000)	(68,464)	-	(120,464)
Pension liability	<u>-</u>	<u>(828,000)</u>	<u>-</u>	<u>(828,000)</u>
	<u>78,832</u>	<u>(824,887)</u>	<u>285,455</u>	<u>(460,600)</u>

Comparative information in respect of the preceeding period is as follows:

	Unrestricted fund £	Restricted funds £	Restricted fixed asset funds £	2018 Total funds £
Fixed assets	-	-	313,534	313,534
Current assets	68,683	249,671	14,218	332,572
Current liabilities	-	(106,382)	-	(106,382)
Pension liability	<u>-</u>	<u>(496,000)</u>	<u>-</u>	<u>(496,000)</u>
	<u>68,683</u>	<u>(352,711)</u>	<u>327,752</u>	<u>43,724</u>

17. MOVEMENT IN FUNDS

	At 1.9.18 £	Net movement in funds £	Transfers between funds £	At 31.8.19 £
Unrestricted funds				
General fund	68,683	10,149	-	78,832
Restricted fixed asset funds				
DfE group capital grants	59,926	(2,879)	-	57,047
Capital expenditure from GAG	122,193	(23,499)	1,430	100,124
Fixed assets transferred on conversion	115,891	(2,532)	-	113,359
Other capital grants	<u>29,742</u>	<u>(14,817)</u>	<u>-</u>	<u>14,925</u>
	327,752	(43,727)	1,430	285,455
Restricted general funds				
General Annual Grant	141,676	(137,304)	(1,430)	2,942
Pension reserve	(496,000)	(332,000)	-	(828,000)
Other restricted income	<u>1,613</u>	<u>(1,442)</u>	<u>-</u>	<u>171</u>
	(325,711)	(470,746)	(1,430)	(824,887)
Total restricted funds	<u>(24,959)</u>	<u>(514,473)</u>	<u>-</u>	<u>(539,432)</u>
TOTAL FUNDS	<u>43,724</u>	<u>(504,324)</u>	<u>-</u>	<u>(460,600)</u>

**St Nicholas Of Tolentine Catholic
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**Notes to the Financial Statements - continued
for the Year Ended 31 August 2019**

17. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	47,254	(37,105)	-	10,149
Restricted fixed asset funds				
DfE group capital grants	15,485	(18,364)	-	(2,879)
Other capital grants	-	(14,817)	-	(14,817)
Capital expenditure from GAG	-	(23,499)	-	(23,499)
Fixed assets transferred on conversion	-	(2,532)	-	(2,532)
	15,485	(59,212)	-	(43,727)
Restricted general funds				
General Annual Grant	949,980	(1,087,284)	-	(137,304)
Other DfE group grants	64,906	(64,906)	-	-
Other grants - local authority	33,569	(33,569)	-	-
Pupil Premium	109,120	(109,120)	-	-
Other restricted income	11,077	(12,519)	-	(1,442)
Pension reserve	-	(69,000)	(263,000)	(332,000)
	1,168,652	(1,376,398)	(263,000)	(470,746)
Total restricted funds	1,184,137	(1,435,610)	(263,000)	(514,473)
TOTAL FUNDS	<u>1,231,391</u>	<u>(1,472,715)</u>	<u>(263,000)</u>	<u>(504,324)</u>

Comparatives for movement in funds

	At 1.9.17 £	Prior year adjustment £	Net movement in funds £	Transfers between funds £	At 31.8.18 £
Unrestricted Funds					
General fund	53,523	-	15,160	-	68,683
Restricted Funds					
General Annual Grant	94,491	46,390	26,552	(25,757)	141,676
DfE group capital grants	95,288	-	(35,362)	-	59,926
Capital expenditure from GAG	122,904	-	(26,468)	25,757	122,193
Pension reserve	(567,000)	-	71,000	-	(496,000)
Fixed assets transferred on conversion	118,423	-	(2,532)	-	115,891
Other restricted income	12,000	-	(10,387)	-	1,613
Other capital grants	-	-	29,742	-	29,742
	(123,894)	46,390	52,545	-	(24,959)
TOTAL FUNDS	<u>(70,371)</u>	<u>46,390</u>	<u>67,705</u>	<u>-</u>	<u>43,724</u>

St Nicholas Of Tolentine Catholic
Primary School

Notes to the Financial Statements - continued
for the Year Ended 31 August 2019

17. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	54,445	(39,285)	-	15,160
Restricted funds				
General Annual Grant	923,949	(897,397)	-	26,552
Other DfE group grants	44,521	(44,521)	-	-
DfE group capital grants and capital expenditure from GAG	6,205	(41,567)	-	(35,362)
Other grants - local authority	22,375	(22,375)	-	-
Pupil Premium	107,690	(107,690)	-	-
Other restricted income	2,500	(12,887)	-	(10,387)
Other capital grants	31,882	(2,140)	-	29,742
Capital expenditure from GAG	-	(26,468)	-	(26,468)
Pension reserve	-	(47,000)	118,000	71,000
Fixed assets transferred on conversion	-	(2,532)	-	(2,532)
	<u>1,139,122</u>	<u>(1,204,577)</u>	<u>118,000</u>	<u>52,545</u>
TOTAL FUNDS	<u><u>1,193,567</u></u>	<u><u>(1,243,862)</u></u>	<u><u>118,000</u></u>	<u><u>67,705</u></u>

General Annual Grant - the GAG is applied in strict accordance with the terms of the Model Funding Agreement. Under the funding agreement with the Secretary of state, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2019.

Other DfE group grants - these include:

- PE sports grant to fund improvements to the provision of PE and sports for primary pupils
- the rates relief to contribute to the rates bill
- the grant towards the universal free school meals provision
- the grant towards teachers pay

Pupil premium - grant to assist pupils from low income families

Other government grants - these include the special educational needs funding and trigger funding from the local authority.

Other restricted income - this is the monies received for specific revenue projects.

Pension reserve - this deficit represents the net shortfall in funds in the Local Government Pension Scheme in relation to employees past and present.

DfE group capital grants and capital expenditure from GAG- this represents funding specifically provided to support capital expenditure on fixed assets, and the cost less depreciation of assets purchased from the GAG.

Fixed assets on conversion - this represents the value of land, buildings and other assets transferred from the Local Authority to the academy on conversion less depreciation.

Fixed assets donated - this represents the value of donated assets less depreciation.

Other capital grants - this represents funding specifically provided to support capital expenditure on fixed assets.

The following transfers have been made in the year:

£1,430 transfer from GAG to Capital expenditure from GAG to represent fixed assets purchased from GAG.

**St Nicholas Of Tolentine Catholic
Primary School**

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2019**

18. PENSION AND SIMILAR OBLIGATIONS

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff, and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Avon Pension Fund. Both are multi-employer defined-benefit schemes.

The latest actuarial valuation of the TPS was 31 March 2016 and of the LGPS 31 March 2016.

There were no outstanding or prepaid contributions at the end of the period.

Teachers' pension scheme

Introduction

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The Teachers' Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.

The employer's pension costs paid to TPS in the period amounted to £42,000 (2018: £48,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

Scheme Changes

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

**St Nicholas Of Tolentine Catholic
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**Notes to the Financial Statements - continued
for the Year Ended 31 August 2019**

**18. PENSION AND SIMILAR OBLIGATIONS
- continued**

Local government pension scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £59,000 (2018: £54,000), of which employer's contributions totalled £45,000 (2018: £43,000) and employees' contributions totalled £14,000 (2018: £11,000). The agreed contribution rates for future years are 13.4% for employers and 5.5% to 8.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	2019	2018
	£	£
Present value of funded obligations	(1,474,000)	(1,063,000)
Fair value of plan assets	<u>646,000</u>	<u>567,000</u>
	<u>(828,000)</u>	<u>(496,000)</u>
Deficit	<u>(828,000)</u>	<u>(496,000)</u>
Liability	<u>(828,000)</u>	<u>(496,000)</u>

The amounts recognised in the statement of financial activities are as follows:

	Defined benefit pension plans	
	2019	2018
	£	£
Current service cost	71,000	76,000
Net interest from net defined benefit asset/liability	29,000	26,000
Past service cost	29,000	-
Administration expenses	<u>1,000</u>	<u>1,000</u>
	<u>130,000</u>	<u>103,000</u>
Interest on plan assets	<u>16,000</u>	<u>13,000</u>

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2019	2018
	£	£
Defined benefit obligation	1,063,000	1,067,000
Current service cost	71,000	76,000
Past service cost	29,000	-
Contributions by scheme participants	14,000	11,000
Interest cost	29,000	26,000
Benefits paid	(19,000)	(11,000)
Actuarial (gains)/losses from changes in financial assumptions	<u>287,000</u>	<u>(106,000)</u>
	<u>1,474,000</u>	<u>1,063,000</u>

**St Nicholas Of Tolentine Catholic
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**Notes to the Financial Statements - continued
for the Year Ended 31 August 2019**

**18. PENSION AND SIMILAR OBLIGATIONS
- continued**

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2019	2018
	£	£
Fair value of scheme assets	567,000	500,000
Contributions by employer	45,000	43,000
Contributions by scheme participants	14,000	11,000
Interest income on plan assets	16,000	13,000
Benefits paid	(19,000)	(11,000)
Administration expenses	(1,000)	(1,000)
Return on plan assets (excluding interest income)	24,000	12,000
	<u>646,000</u>	<u>567,000</u>

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	2019	2018
	£	£
Actuarial (gains)/losses from changes in financial assumptions	(287,000)	106,000
Return on plan assets (excluding interest income)	24,000	12,000
	<u>(263,000)</u>	<u>118,000</u>

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	2019	2018
	£	£
Equities	302,000	221,000
Government Bonds	-	66,000
Cash and other liquid assets	8,000	22,000
Other Bonds	70,000	70,000
Property	36,000	53,000
Other	230,000	135,000
	<u>646,000</u>	<u>567,000</u>

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)

	2019	2018
Discount rate	1.8%	2.8%
Future salary increases	3.6%	3.6%
Future pension increases	2.2%	2.2%
CPI	2.1%	2.1%

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	At 31 August 2019	At 31 August 2018
Current pensioners		
Males	23.7 years	23.6 years
Females	26.2 years	26.1 years
Future pensioners*		
Males	26.3 years	26.2 years
Females	29.0 years	28.8 years

* Retiring in 20 years.

**St Nicholas Of Tolentine Catholic
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**Notes to the Financial Statements - continued
for the Year Ended 31 August 2019**

**18. PENSION AND SIMILAR OBLIGATIONS
- continued**

Sensitivity analysis:

	At 31 August 2019 £	At 31 August 2018 £
+ 0.1% p.a. discount rate	796,000	472,000
+ 0.1% p.a. inflation	861,000	519,000
+ 0.1% p.a. pay growth	833,000	499,000
1 year increase in life expectancy	856,000	515,000

19. RELATED PARTY DISCLOSURES

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

Expenditure Related Party Transactions

The accounting officer, R Tucker, was employed as head teacher at the academy trust until June 2019. The accounting officer receives remuneration in respect of services provided in undertaking the role of principal under her contract of employment. During the year, R Tucker received remuneration between £65,000 - £70,000 (2018: £60,000-£65,000) and employer's pension contribution between £10,000 - £50,000 (2018: £5,000 and £10,000).

The accounting officer, K Kinshaw, was employed as head teacher at the academy trust from May 2019 to June 2019. The accounting officer receives remuneration in respect of services provided in undertaking the role of principal under her contract of employment. During the year, K Kinshaw received remuneration between £15,000 - £20,000 and employer's pension contribution between £0,001 - £5,000.

The academy has a Service Level Agreement with the Clifton Diocese. This Service Level Agreement entitles all schools to a core service of activities. The cost is related to pupil numbers and the cost for 2018/19 is £4 per pupil. The academy also engages in training with the Diocese which are paid for separately. A total cost of £999 was incurred in the year.

Included in support costs is a notional rental cost of £26,000 which related to the use of the Clifton Diocese land and buildings occupied by the Academy, and is estimated as the equivalent of the annual depreciation charge on the value of the land and buildings. As part of the two year Church Supplemental Agreement an accrual for 2 years of this rent has been included in creditors.

The trustee, H Peace, is director of Romero Services Limited, a trading subsidiary of St Joseph's Catholic College which provides support services to academies. During the period in which H Peace was a trustee, the academy purchased finance, HR and GDPR services amounting to £8,149.

Income Related Party Transactions

Included in donations is a notional rental donation of £26,000 which related to the use of the Clifton Diocese land and buildings occupied by the Academy, and is estimated as the equivalent of the annual depreciation charge on the value of the land and buildings. As part of the two year Church Supplemental Agreement an accrual for two years of this donation has been included in debtors.

20. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2019 £	2018 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(241,324)	(50,295)
Adjustments for:		
Depreciation	49,793	48,752
Capital grants from DfE/ESFA	(15,485)	(6,205)
Interest received	(108)	(182)
Carried forward	34,200	42,365

**St Nicholas Of Tolentine Catholic
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**Notes to the Financial Statements - continued
for the Year Ended 31 August 2019**

20. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES - continued

	2019 £	2018 £
Adjustments for:		
Brought forward	34,200	42,365
DB pension scheme cost less contribution	55,000	33,000
DB pension scheme finance cost	14,000	14,000
Increase in debtors	(16,796)	(12,000)
Increase in creditors	<u>14,082</u>	<u>59,677</u>
Net cash provided by (used in) operating activities	<u>(140,838)</u>	<u>86,747</u>